

September 27, 2010

Statement from David Fleming, Director and Health Officer  
Public Health – Seattle & King County

Public Health is committed to protecting community members from disease and enabling everyone in King County to be healthy. For the past three years, we have experienced serious funding challenges that impact our services.

Today, King County Executive Dow Constantine presented his 2011 proposed budget to the King County Council. The budget reflects ongoing financial challenges faced by the county including continued weakness in the economy and the rising cost of delivering essential services. In addition, Public Health has a long-standing financial challenge represented by the rising costs of providing services, including the labor costs of retaining a skilled and qualified workforce as well as the cost of goods and services that increase at the higher medical rate of inflation, and a flat or shrinking revenue base.

For the 2011 proposed budget, Public Health has been asked by the Executive to take a 12% General Fund cut in all divisions except Jail Health Services (where legal and regulatory mandates require certain levels of services that necessitated a lower target cut). In addition, other revenue issues and financial challenges have impacted additional parts of our budget, including fee-based programs, which have experienced lower demand because of the economy.

On top of the budget challenges facing the County, Public Health will likely be impacted by proposed funding cuts at the state level as well. We expect to learn more about state cuts in the upcoming weeks.

These proposed cuts follow significant cuts in the department's 2009 and 2010 budgets.

Most of our funding comes from the Public Health Fund. Over 87% of Public Health Fund revenues are provided by external funders for specific purposes; the remaining 13% of the Fund is supported by County General Fund and other flexible revenues. The other funds that comprise the department's budget are Emergency Medical Services, Jail Health, and Local Hazardous Waste. Each fund has experienced its own pressures and challenges brought on by the recession.

The total 2011 Executive Proposed budget for the Public Health Fund is \$208,544,702 with funding for 1,187.46 FTEs and 53.85 TLTs, a reduction of \$3.3M in the General Fund and 145 positions (81 of them vacant).

In order to achieve the target cuts required by the Executive in the King County General Fund, the department was required to return again to the programs that

are dependent upon General Fund and that have been particularly impacted by General Fund pressures during the current recession.

Therefore, most reductions and changes are in areas supported by the General Fund, including Public Health Center Primary Care and Maternity Support Services and funding support to community health centers; the Medical Examiner's Office; and HIV/STD services. In addition, the Department will eliminate all General Fund support to the Children and Family Commission.

Additional details on these changes and reductions in the Executive's Proposed Budget:

### **Community Health Services**

- **Maternity Support Services:** Reducing 10.25 FTE Public Health nurses and 2 FTE Education Specialists, which reduces in-home visits while increasing the proportion of services provided in the PHCs rather than in the field.
- **Family Planning:** Eliminating four Public Health nurses located at four state Department of Social and Health Services Community Services offices, due to a loss of Washington state program funding.
- **Primary Care:** Replacing 1.2 FTE primary care MDs with a 1.0 FTE pediatric nurse practitioner at the Eastgate Public Health Center.
- **Community Health Centers contracts:** PH also proposes to proportionally decrease by 12% -- our target reduction -- GF-supported contract funds to Community Health Centers, which are local non-profit organizations providing primary care and dental services to low income and diverse communities. The cut will result in a reduction of various services to those centers' clients.

For more details on budget changes in Community Health Services see the Summary of Budget Changes in the Public Health Centers at [www.kingcounty.gov/health/budget](http://www.kingcounty.gov/health/budget)

### **Prevention**

- **Medical Examiner's Office:** Reducing Medical Examiner response services between 10 p.m. and 6 a.m., reducing staff at night by half; by 1.5 FTE death investigators.
- **Moving Vital Statistics to co-locate with the MEO:** This proposal creates resource efficiencies by co-locating the Vital Statistics Program (currently in the King County Administration Building) with the Medical Examiner's Office at the Harborview Ninth and Jefferson Building. Efficiencies include rent, use of cross-trained front counter staff, processing of death certificates, and other functions.
- **HIV/STD Program Juvenile Detention:** Eliminating contracted STD clinical services, including treatment and counseling, to inmates in juvenile detention.

## **Cross-Cutting PH Functions & Administration**

- **The Children and Family Commission (CFC):** Removing all General Fund support for the CFC and reducing its staff to one. This change will save more than \$1 million, but will reduce by approximately two-thirds the amount of grant funding for community organizations working on CFC priorities, including sustaining the health and well-being of children and preventing youth from becoming involved with the criminal justice system.
- **Preparedness:** The Proposed Budget returns the section to pre-H1N1 and Howard Hansen Dam preparedness FTE levels, and reflects a decrease of \$2.75 million in federal funding and reduces staff by 4.2 FTE.
- **Administrative Services and Technology-Backed Reductions:** Reducing 1.0 manager position, a .75 position in the Information Technology section due to efficiencies implemented through IT Reorganization and through Accountable Business Transformation (ABT) changes (1.00 TLT [Term Limited]).
- **Leadership Salary Freeze:** Implementing a salary freeze for Public Health employees in exempt appointed leadership positions.
- **Labor COLA Freeze:** Eliminating a cost of living allowance (COLA) for 77 employees represented by the Washington State Council of County and City Employees (Locals 21 and 1652) in 2011. (Negotiations continue with other labor unions on eliminating COLA increases in 2011.)

## **Environmental Health**

Continuing decline in demand for wastewater and plumbing and gas piping permits due to current conditions in the economy and construction market required the elimination of four FTE, which includes three vacant positions and one investigator. This is in addition to the mid-year cuts made this week.

## **Jail Health Services**

The total 2011 Executive Proposed Budget for Jail Health Services (JHS) is \$24,662,824 with 139.47 FTEs, a reduction of 5.6 FTE.

JHS operates under several legal and regulatory mandates that direct the scope and frequency of services JHS must provide. Eliminating many of JHS health care services and programs puts JHS in jeopardy of violating these legal agreements and potentially losing National Commission on Correctional Health Care (NCCHC) accreditation.

In order to meet General Fund reduction requirements, JHS pursued efficiencies, including the use of technology, and identified health care services that would have the least impact on inmate health.

## **Emergency Medical Services**

The total 2011 Executive Proposed Budget for Emergency Medical Services (EMS) is \$68,802,602 with funding for 119.37 FTEs. While EMS experienced a reduction of positions, they were all vacant. The budget aims to support Emergency Medical Services to align with elements of the King County Strategic Plan while responding to the change drivers impacting the Division's financial situation.

The Proposed Budget for EMS focuses on implementation of priorities and strategic initiatives in its strategic plan, including advanced life support services (ALS), basic life support services (BLS), dispatch enhancements, medical quality improvement, online training for EMS providers, and injury prevention programs. The Proposed Budget also recognizes changes in Medic One/Emergency Medical Services (EMS) levy fund revenue forecasts, since assessed property values are going down and property owners are paying lower levy amounts than projected. As in other service areas, the severe economic recession is having a significant effect on regional EMS levy revenues. Anticipating ongoing revenue challenges in this levy period, the EMS Division is reviewing priorities and pursuing further cost efficiencies.

Some additional income has helped offset the gloom of our current economic reality. We have received nearly \$12 million in 2011 through two federal American Reinvestment and Recovery Act (ARRA) grant awards, one for obesity prevention and one for reduction in tobacco use, as well as funding for home-based diabetes management through a five year, \$2.4 million grant from the National Institutes of Health (NIH). In addition, the proposed budget includes planned increases in some fees in the Medical Examiner's Office and the Environmental Health division.

These reductions are serious cuts with significant impacts to Public Health and the people we serve, but it's only a part of the overall reduction package that was proposed by the Executive. Across the county, the magnitude of the funding crisis is being felt in each and every county department. Over the next eight weeks the King County Council will be considering the Executive's proposed budget, potentially making changes, and is scheduled to adopt the budget on the Monday of Thanksgiving week.

Again, these reductions and cuts will not be the last we see. As the State of Washington looks to cover a \$770 million budget gap between now and the end of the current biennium in June 2011, and to address further state budget challenges in the subsequent biennium, we must be prepared for additional cuts to core services.

The budget issues at the county and state are a result of an immediate budget short-fall, but also reflect a long-term funding issue. Public Health will continue to work with Olympia for the stable, long-term funding necessary to reverse this

destructive cycle of cuts and instead invest in the personal and economic health of our residents.